

SERVICE DATE
Oct 05, 2017

PSC REF#: 331918

Public Service Commission of Wisconsin
RECEIVED: 10/05/2017 1:35:00 PM

PUBLIC SERVICE COMMISSION OF WISCONSIN

2018 Wisconsin Power and Light Company Voluntary Utility
Program

6680-EE-2018

FINAL DECISION

This is the Final Decision in the July 3, 2017 application by Wisconsin Power and Light Company (WP&L) for approval to implement voluntary energy efficiency programs in 2018. ([PSC REF#: 327181](#).) At its open meeting of September 15, 2017, the Commission considered WP&L's application. This application is APPROVED, subject to the conditions described in this Final Decision.

Introduction

WP&L proposed to operate two new voluntary energy efficiency programs in 2018. First, WP&L proposed to operate an Enhanced Low Income Weatherization Program (ELIWP) modeled closely on We Energies' voluntary Residential Assistance Program. ELIWP would deliver weatherization services to low-income, residential natural gas customers with incomes below 80 percent of the state median income. ELIWP would seek to overcome low-income participants' financial barriers to Focus on Energy participation by providing bonus incentives on top of the incentives already provided by Focus on Energy's Home Performance with Energy Star Program to cover the remaining project costs that would otherwise be paid by the participant. The program would also install LED light bulbs in customer homes and pay for the full costs of measures not incented by Focus that can improve efficiency, comfort and safety, such as furnace and boiler repairs and sill box insulation.

Second, WP&L proposed a pilot program to install Sense Home Energy (Sense) meters in 100 customer homes. Sense meters provide customers with real-time information on home energy usage, including the use of individual technologies in the home that can be accessed through an online platform and a smartphone app. This access could help encourage participation in Focus on Energy programs by identifying high-usage technologies that could benefit from replacement by Focus-incented efficient options; drive behavior-based energy savings by providing comparisons to average customers' energy use and recommendations on behavioral changes; and help WP&L assess the potential impact of future implementation of time-of-use rates and demand response initiatives by providing more detailed information than the utility currently has on customer energy usage patterns.

Because Sense meters are a new technology without a record of evaluated program activity, the pilot would focus on collecting data and conducting analysis to assess customer usage of the meters, and inform a decision on whether, and how, to pursue expanded programming in future years. To align with the Commission's stated interests under 5-FE-102 in supporting greater Focus on Energy participation in rural areas of the state, WP&L intends to install 20 meters in each of the five zip code areas that the Commission has defined as rural for purposes of delivering Focus on Energy's own rural-focused programs in 2017 and 2018. ([PSC REF#: 295732](#) at 9, 24-25).

Findings of Fact

1. The proposed ELIWP is reasonable and in the public interest.
2. It is reasonable to require WP&L to submit a plan for process evaluation of ELIWP by December 1, 2017, for Commission staff approval.
3. A reasonable budget for the ELIWP, including evaluation costs, is \$410,000.
4. The proposed Sense pilot is reasonable and in the public interest.
5. It is reasonable to require WP&L to submit an evaluation plan on the Sense Pilot by December 1, 2017, for Commission staff approval.

Conclusions of Law

1. The Commission has the authority to approve the proposed voluntary energy efficiency programs under Wis. Stat. §§ 196.02, 196.374, and 196.395, and Wis. Admin. Code ch. PSC 137.

Opinion

Wisconsin Admin. Code § PSC 137.08 sets forth a variety of factors the Commission must consider in reviewing a request to implement voluntary energy efficiency programs. The Commission has considered these factors in relation to both of WP&L's proposed programs and determines that both the ELIWP and the Sense pilot are in the public interest. The proposed ELIWP program includes appropriate energy efficiency measures, serves a population of low-income residents that is hard to reach due to limitations in financial resources and awareness of energy efficiency, and is designed to be adequately coordinated with Focus on Energy

programs. The proposed annual program budget of \$410,000 is adequate to meet the program's goal of saving 20,000 therms per year and to account for an evaluation of the program. Similarly, the Sense pilot is designed to address the full range of energy efficiency opportunities within participating homes, targets rural residents who have greater barriers than urban residents to obtaining information on energy efficiency, and establishes initial procedures for establishing ongoing coordination with Focus on Energy programs. The Sense pilot does not have quantified program goals, but this is reasonable given the pilot is primarily intended to collect basic information on customer usage of the meters and inform the design of future programs. The Sense Pilot budget of \$185,540 is adequate to address those general goals.

Commission staff proposed several conditions for Commission consideration.

([PSC REF#: 331033](#).) First, Commission staff proposed that the Commission require WP&L to submit a report by December 1, 2017, defining the eligibility standards it will use for LED bulbs offered through ELIWP. The Commission finds that it is not necessary for WP&L to submit this report as the Commission believes WP&L will select appropriate LED bulbs to be offered, and such a report was not required for the We Energies' voluntary Residential Assistance Program which served as a model for ELIWP.

Second, Commission staff proposed that the Commission require WP&L to submit a plan for process evaluation of ELIWP by December 1, 2017, for Commission staff approval. The Commission finds Commission staff's proposal reasonable as the ELIWP is a new program offering for WP&L. While the Commission did not require such a process evaluation plan for the We Energies' voluntary Residential Assistance Program, the We Energies program was

previously evaluated. Commission staff also suggested that the budget for the ELIWP be increased to account for the evaluation. The Commission finds it is not necessary to include additional evaluation costs. The program budget includes appropriate funding to account for customers receiving the maximum level of incentives; however, it is unlikely all customers will receive the maximum levels.

Finally, Commission proposed that the Commission require WP&L to submit an evaluation plan on the Sense Pilot by December 1, 2017, for Commission staff approval. The Commission finds Commission staff's proposal reasonable as the Sense Pilot is a new offering, and the data gained from an evaluation may help determine the feasibility of expansion of the pilot or further program offerings.

Order

1. WP&L's application for approval to implement the two voluntary energy efficiency programs described in its application in 2018 is approved.
2. WP&L shall submit a plan for process evaluation of the Enhanced Low Income Weatherization Program (ELIWP) for Commission staff approval by December 1, 2017. The total authorized ELIWP budget shall be \$410,000, including the costs of conducting the process evaluation.
3. WP&L shall submit an evaluation plan for the Sense Pilot for Commission staff approval by December 1, 2017.

Docket 6680-EE-2018

4. This Final Decision takes effect one day after the date of service.
5. Jurisdiction is retained.

Dated at Madison, Wisconsin, this 5th day of October, 2017.

By the Commission:

A handwritten signature in black ink, reading "Sandra J. Paske". The signature is fluid and cursive, with the first name "Sandra" and last name "Paske" clearly legible.

Sandra J. Paske
Secretary to the Commission

SJP:JF DL:01570837

See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN
610 North Whitney Way
P.O. Box 7854
Madison, Wisconsin 53707-7854

**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of the date of service of this decision, as provided in Wis. Stat. § 227.49. The date of service is shown on the first page. If there is no date on the first page, the date of service is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of the date of service of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of the date of service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission serves its original decision.¹ The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: March 27, 2013

¹ See *Currier v. Wisconsin Dep't of Revenue*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.